

FISCAL COMMITTEE OF THE GENERAL COURT  
MINUTES  
July 11, 2006

The Fiscal Committee of the General Court met on Tuesday, July 11, 2006 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Frederick King, Chairman  
Senator Charles Morse, Vice Chairman  
Representative Joseph Stone, Clerk  
Representative Elizabeth Hager  
Representative Mary Jane Wallner  
Representative Peter Franklin  
Senator Theodore Gatsas  
Senator Richard Green  
Senator Robert Clegg  
Senator Lou D'Allesandro

Chairman King opened the meeting at 9:12 a.m.

ADJOURNMENT OF JUNE 7, 2006 MEETING:

On a motion by Representative Hager, seconded by Senator D'Allesandro, that the Committee adjourn from the June 7, 2006 meeting. MOTION ADOPTED.

ACCEPTANCE OF MINUTES:

On a motion by Representative Stone, seconded by Senator D'Allesandro, that the minutes of the June 7, 2006 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 06-088 Department of Safety, Division of Motor Vehicles - accept and expend \$3,000,000 (**Tabled 3/24/06**) The Committee requested that this item remain tabled.

FIS 06-141 Department of Resources and Economic Development, Division of Parks and Recreation - accept and expend \$100,000 **Tabled 5/8/06** There was no one present from the agency and Chairman King requested that someone be called to address questions that Representative Stone had on the request. The request remained tabled until a representative from the agency appears before the Committee.

FIS 06-189 Department of Safety, Division of Administration - transfer \$100,194 from Highway Surplus Account and continue one (1) Carpenter II position through June 30, 2007 and two (2) Carpenter II positions through February 2007 **Tabled 6/7/06**

On a motion by Senator Green, seconded by Senator Clegg, that this request be removed from the table. MOTION ADOPTED.

On a motion by Senator Green, seconded by Senator Morse, that the Committee approve the request from the Department of Safety, Division

of Administration to transfer \$100,194 from Highway Surplus Account and continue one (1) Carpenter II position through June 30, 2007 and two (2) Carpenter II positions through February 2007. MOTION ADOPTED.

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE - CONSENT CALENDAR:

FIS 06-207 Department of Safety - On a motion by Senator D'Allesandro, seconded by Senator Gatsas, that the Committee approve the request from the Department of Safety to accept and expend \$20,000,000. MOTION ADOPTED.

On a motion by Senator Gatsas, seconded by Senator Green, that the Committee instruct Mr. Buckley to get an opinion from the Attorney General on the following question: "Five million was allocated upfront money for communities to get them by the start of the floods. If we could use that five million as part of the twelve and a half percent loan portion until the Legislature comes forward with their twelve and a half percent so that they can move forward in doing whatever repairs or budgeting that they need." MOTION ADOPTED.

FIS 06-210 Department of Justice - On a motion by Senator D'Allesandro, seconded by Senator Morse, that the Committee approve the request from the Department of Justice to accept and expend \$264,716. MOTION ADOPTED.

CHAPTER 177:1, LAWS OF 2005 TRANSFERS AMONG ACCOUNTS; OFFICE OF INFORMATION TECHNOLOGY:

FIS 06-212 Office of Information Technology - On a motion by Senator Green, seconded by Senator D'Allesandro, that the Committee approve the request from the Office of Information Technology to accept and expend \$13,000. MOTION ADOPTED.

CHAPTER 177:4, II, LAWS OF 2005 DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES:

FIS 06-201 Department of Health and Human Services, Division of Child Support Services - John Stephen, Commissioner and Mary Weatherill, Director, Division of Child Support Services presented the request and responded to questions of the Committee.

On a motion by Senator Clegg, seconded by Senator D'Allesandro, that the Committee approve the request from the Department of Health and Human Services, Division of Child Support Services to accept and expend \$1,765,871. MOTION ADOPTED.

CHAPTER 177:4, III, LAWS OF 2005 DEPARTMENT OF HEALTH AND HUMAN SERVICES; TRANSFER AMONG ACCOUNTS:

FIS 06-206 Department of Health and Human Services - John Stephen, Commissioner presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator D'Allesandro, that the Committee approve the request from the Department of Health and Human Services to transfer \$787,000. MOTION ADOPTED.

RSA 206:33-b TRANSFERS FROM FISH AND GAME FUND:

FIS 06-211 Fish and Game Department - On a motion by Representative Hager, seconded by Senator D'Allesandro, that the Committee approve the request from the Fish and Game Department to transfer \$49,300. MOTION ADOPTED.

OLD BUSINESS (continued):

FIS 06-141 Department of Resources and Economic Development, Division of Parks and Recreation - accept and expend \$100,000 **Tabled 5/8/06**

On a motion by Senator Green, seconded by Representative Stone, that this request be removed from the table. MOTION ADOPTED.

Allison McLean, Director, Division of Parks and Recreation responded to questions of the Committee, requested that this request be withdrawn, and stated that her agency would resubmit when she has additional information needed to bring the request forward.

On a motion by Senator Green, seconded by Representative Stone, that this request be withdrawn. MOTION ADOPTED.

LATE INFORMATIONAL ITEM:

FIS 06-220 Department of Administrative Services - Donald Hill, Commissioner, Department of Administrative Services distributed copies of this item and gave the committee an update on the ERP program.

Chairman King requested that Commissioner Hill give the Committee monthly updates on the ERP process.

MISCELLANEOUS:

Representative Norman Major, Chairman of the House Ways and Means Committee gave the Committee an update on revenues and noted that he was a little concerned when he read in the newspaper that the state had a \$41 million surplus.

INFORMATIONAL MATERIALS:

Chairman King asked if anyone had questions on any of the informational items, and said that he would like to have Commissioner Stephen respond to questions that he has on item FIS 06-208 from the Department of Health and Human Services, which is information regarding spending adjustments planned by the Department to address funding issues for state fiscal year ending 2007.

John Stephen, Commissioner, Douglas McNutt, Bureau Director, and Jonathan McCosh, Financial Manager for Elderly and Adult Services responded to questions of the Committee.

The informational materials were accepted and placed on file.

AUDITS:

State of New Hampshire, Department of Transportation Management Letter For the Fiscal Year Ended June 30, 2005 (This management letter was accepted, placed on file and released in the usual manner at the 6/7/06 Fiscal Committee meeting - a formal presentation will be made at the July Fiscal Committee meeting.) - Catherine Provencher, Director of Audits, Office of Legislative Budget Assistant presented the Management Letter and responded to questions of the Committee. Commissioner Carol Murray and Thomas Martin, Director of Finance were also in attendance to respond to questions of the Committee.

As a follow-up, Senator Gatsas requested that the Office of Legislative Budget Assistant, Audit Division pick a week and make sure the treadle accounts have been corrected and that the numbers and the dollars match.

The Committee also requested that Commissioner Murray give them updates on hiring new personnel who will assist the Director of Finance in the Department of Transportation.

N.H. Retirement System, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2005 - Brock Romano, Partner, KPMG presented the report and responded to questions of the Committee. Richard Joyal, Business and Finance Director, NH Retirement System was also present to respond to questions of the Committee.

On a motion by Representative Hager, seconded by Senator D'Allesandro, that the N.H. Retirement System, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2005 be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

Senator Green requested that the Executive Director of the NH Retirement System be invited to the next Fiscal Committee meeting or whenever he is available to answer some of the Committee members' questions.

State of New Hampshire, Single Audit of Federal Financial Assistant Programs For the Year Ended June 30, 2005 - Chairman King requested that this audit be presented at the next Fiscal Committee meeting because of time constraints.

On a motion by Senator Clegg, seconded by Senator Green, that the State of New Hampshire, Single Audit of Federal Financial Assistant Programs for the Year Ended June 30, 2005 be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

MISCELLANEOUS:

Catherine Provencher, Director Audits, Office of Legislative Budget Assistant requested authorization to fill five (5) vacancies in the Audit Division - three (3) financial auditor positions and two (2) performance auditor positions.

On a motion by Senator Green, seconded by Senator Gatsas, that the Committee authorize the Director of Audits, Office of Legislative Budget Assistant to fill five (5) vacancies in the Audit Division as requested. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next meeting of the Fiscal Committee is scheduled for Tuesday, August 8, 2006. (Whereupon the Committee adjourned at 1:30 p.m.)

Representative Joseph Stone, Clerk